

**BEFORE THE TENNESSEE STATE BOARD OF EQUALIZATION**

IN RE: Robert & Monika Pelt )  
Dist. 2, Map 89E, Group G, Control Map 89E, ) Cumberland County  
Parcel 1.00, S.I. 000 )  
Residential Property )  
Tax Year 2007 )

### INITIAL DECISION AND ORDER

### Statement of the Case

The subject property is presently valued as follows:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$8,800	\$183,900	\$192,700	\$48,175

An appeal has been filed on behalf of the property owner with the State Board of Equalization. The undersigned administrative judge conducted a hearing in this matter on September 5, 2007 in Crossville, Tennessee. The taxpayers represented themselves. The assessor of property was represented by Deputy Assessor Mary Cox. Also in attendance at the hearing was Fred Wilson, an appraiser with the Division of Property Assessments.

## FINDINGS OF FACT AND CONCLUSIONS OF LAW

Subject property consists of a single family residence located at 117 Devon Road in Crossville, Tennessee.

The taxpayers contended that subject property should be valued at a maximum of \$159,000. In support of this position, the taxpayers testified that they purchased subject property on April 17, 2006 for \$137,500 and subsequently had a garage constructed at a cost of \$11,000. In addition, the taxpayers introduced an appraisal report prepared by Isaac Hale which valued subject property at \$143,000 as of April 5, 2006. Finally, the taxpayers introduced market data compiled by local realtors indicating they would list subject property for a maximum of \$159,900.

The assessor contended that subject property should be valued at \$173,400. In support of this position, three comparable sales were introduced into evidence. The assessor recommended reclassifying the garage as unfinished. This adjustment to the property record card results in a value indication of \$173,400.

The basis of valuation as stated in Tennessee Code Annotated Section 67-5-601(a) is that "[t]he value of all property shall be ascertained from the evidence of its sound, intrinsic and immediate value, for purposes of sale between a willing seller and a willing buyer without consideration of speculative values . . ."



After having reviewed all the evidence in the case, the administrative judge finds that the subject property should be valued at \$165,000 based upon the collective proof.

The administrative judge finds that January 1, 2007 constitutes the relevant assessment date pursuant to Tenn. Code Ann. § 67-5-504(a). The administrative judge finds the assessment date of particular significance in this case because of the decline in the market after that date.

The administrative judge finds that the analyses prepared by two realtors for the taxpayers were made as of August 30, 2007 and August 26, 2007. The administrative judge finds that similar analyses made as of January 1, 2007 would surely have reflected a somewhat higher value. Indeed, the taxpayers asserted on page 3 of their exhibit that values have fallen as much as 25%.

The administrative judge finds that when the parties' proof is viewed collectively, the sales data supports adoption of a value of \$165,000 as of January 1, 2007.

#### ORDER

It is therefore ORDERED that the following value and assessment be adopted for tax year 2007:

<u>LAND VALUE</u>	<u>IMPROVEMENT VALUE</u>	<u>TOTAL VALUE</u>	<u>ASSESSMENT</u>
\$8,800	\$156,200	\$165,000	\$41,250

It is FURTHER ORDERED that any applicable hearing costs be assessed pursuant to Tenn. Code Ann. § 67-5-1501(d) and State Board of Equalization Rule 0600-1-.17.

Pursuant to the Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-301—325, Tenn. Code Ann. § 67-5-1501, and the Rules of Contested Case Procedure of the State Board of Equalization, the parties are advised of the following remedies:

1. A party may appeal this decision and order to the Assessment Appeals Commission pursuant to Tenn. Code Ann. § 67-5-1501 and Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization. Tennessee Code Annotated § 67-5-1501(c) provides that an appeal **“must be filed within thirty (30) days from the date the initial decision is sent.”** Rule 0600-1-.12 of the Contested Case Procedures of the State Board of Equalization provides that the appeal be filed with the Executive Secretary of the State Board and that the appeal **“identify the allegedly erroneous finding(s) of fact and/or conclusion(s) of law in the initial order”**; or
2. A party may petition for reconsideration of this decision and order pursuant to Tenn. Code Ann. § 4-5-317 within fifteen (15) days of the entry of the order. The petition for reconsideration must state the specific grounds upon which

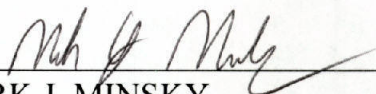


relief is requested. The filing of a petition for reconsideration is not a prerequisite for seeking administrative or judicial review; or

3. A party may petition for a stay of effectiveness of this decision and order pursuant to Tenn. Code Ann. § 4-5-316 within seven (7) days of the entry of the order.

This order does not become final until an official certificate is issued by the Assessment Appeals Commission. Official certificates are normally issued seventy-five (75) days after the entry of the initial decision and order if no party has appealed.

ENTERED this 17th day of September, 2007.

  
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MARK J. MINSKY  
ADMINISTRATIVE JUDGE  
TENNESSEE DEPARTMENT OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION

c: Robert & Monika Pelt  
Ralph Barnwell, Assessor of Property